GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:956
ANSWERED ON:27.02.2001
INDIGENOUS IRON AND STEEL FOR DOMESTIC PROJECTS
SUBODH MOHITE;SUNIL KHAN

Will the Minister of STEEL be pleased to state:

(a) whether the Government propose to introduce `Buy Indian Act` whereinusage of only indigenous iron and steel products will be allowed for the domestic projects;

(b) if so, the details thereof;

(c) whether some other countries have also enacted such legislation to protect the domestic industry;

(d) if so, the details thereof; and

(e) whether enactment of such legislation is allowed under the W.T.O. Agreements?

Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a)&(b): The domestic steel industry has been representing to the Government for introduction of `Buy Indian Act` on the lines of the `Buy American Act`. The objective of this Act is to encourage the growth and development of indigenous industry by giving constructive preference in government procurement.

(c)to(e): Yes, Sir. To encourage the purchase of domestically manufactured products by the Federal Government, the USA have the `Buy American Act`. It is our understanding that the US policy on procurement of goods by government is based on the Buy American Act of 1933 and the plurilateral Agreement on Government Procurement under the 1994 WTO.